

HONORING RUSSELL L. CARSON

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1996

Mr. KILDEE. Mr. Speaker, it is my pleasure to rise before my colleagues in the U.S. House of Representatives to recognize Mr. Russell L. Carson. Mr. Carson recently retired as captain of the Waterford Township Police Department after 25 years of dedicated public service. A retirement party in his honor is to be held on February 3, 1996, in Keego Harbor, MI.

Mr. Carson has spent his entire career protecting the public and preserving the laws of this Nation. During his illustrious career, he has received many awards and commendations for his selfless devotion to duty. His tireless spirit has earned him the respect of his colleagues not only in the police department that he helped to command, but also with the countless people whose lives were touched by him. During his 25-year career, Mr. Carson has worked as a patrolman, detective, school liaison officer, lieutenant, staff lieutenant, and captain. Also included in his many duties were detective bureau commander, patrol bureau commander, and administrative services commander.

Mr. Speaker, Russell Carson has worked diligently to help make his community a safer and better place to live. I know that his retirement dinner is not meant to celebrate his departure from law enforcement, rather, the dinner is meant to show him the deep love and respect his colleagues, his family, his friends, and his community have for him. I ask you and my fellow Members of the 104th Congress to join me in paying tribute to such a dedicated public servant, Mr. Russell L. Carson.

HONORING CONGRESSWOMAN
BARBARA JORDAN

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1996

Mr. FROST. Mr. Speaker, in honor of this year's theme of African-American women, I wish to recognize the passing of former Congresswoman Barbara Jordan, one of Texas' greatest political figures. She died at the age of 59 from pneumonia, one of the many illnesses which she suffered from in the last years of her life. But the life that she led was extraordinary, and she left a mark that few will ever match, and that none will ever forget.

Mr. Speaker, Congresswoman Jordan distinguished herself from an early age. With her family's encouragement she worked hard to rise above the poverty of her childhood in Houston. She graduated magna cum laude from Texas Southern University. It was there that she first displayed her powerful oratorical skills as a member of the debate team. In 1959 she received her law degree from Boston University.

Mr. Speaker, Barbara Jordan made history by setting a number of firsts. She was the first black State senator in Texas history, elected in 1966. In 1972 she was accorded the high

honor of being elected president pro tempore of the Texas Senate, another first for an African-American. Eight years later she recorded another first, becoming the first black from Texas to be elected to Congress. Although she only served for 6 years in the House of Representatives, her impact was monumental.

It was as a freshman Congresswoman, Mr. Speaker, that the Nation first came to know Barbara Jordan. As a member of the House Judiciary Committee she made one of the defining speeches of the Richard Nixon impeachment hearings. Rising above the political rhetoric, she told the world, "My faith in the Constitution is whole, it is complete, it is total, and I am not going to sit here and be an idle spectator to the diminution, the subversion, the destruction of the Constitution." Indeed, her statements reminded America of what was truly great about this country.

On a more personal note, Mr. Speaker, Barbara Jordan served as one of my earliest political role models. I had a chance to see Congresswoman Jordan speak at the 1976 Democratic National Convention. Like everyone else that heard her speech I was moved not only by her eloquence, but by her definition of public service. "More is required of public officials than slogans and handshakes and press releases," she said. "We must hold ourselves strictly accountable. We must provide the people with a vision of the future." These words continue to guide and inspire me 20 years later.

I wish in the coming days that all Texans would join me in reflecting upon the legacy of Barbara Jordan. She stood for honesty, integrity, and an unswerving commitment to the principles on which this country was founded. Her legacy will endure as we continue to honor these ideals.

SMALL BUSINESS INVESTMENT
AND GROWTH ACT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1996

Mr. CRANE. Mr. Speaker, today I am introducing legislation, the Small Business Investment and Growth Act, to provide needed tax relief for some of America's small business manufacturers.

As a member of the Ways and Means Committee, I strenuously objected to the tax increases of 1990 and 1993, knowing of the negative economic impact these would have on American businesses and individuals. In particular, increasing the maximum individual marginal tax rate from 28 percent to 39.6 percent put a tremendous strain on small businesses organized as S corporations, because they must pay taxes at the individual rate. S corporation manufacturers, facing 36-percent and 39.6-percent tax rates at the highest levels, compete at a significant disadvantage against C corporation manufacturers, which pay a maximum 34-percent rate.

I propose to end this Government-created inequity with the Small Business Investment and Growth Act. Small businesses have created the overwhelming majority of jobs in the United States. We cannot allow the intrusiveness of the Federal Government to neutralize this proven formula of prosperity and job growth.

This act will establish at 34 percent the maximum tax rate for manufacturers organized as S corporations. The taxable small business income would be limited to income from the trade or business of certain eligible small businesses, specifically excluding passive income. To benefit from the maximum 34-percent rate, businesses must also reinvest their after-tax income into the business.

To encourage business reinvestment, each eligible S corporation would establish a new qualified retained earnings account [QREA]. Each year, the QREA will be increased by the taxable earnings of the business. The QREA may then be decreased by either "qualified" or "nonqualified" distributions. Qualified distributions are to enable shareholders to pay the income taxes due on their pro rata share of the taxable income. Should a business choose to make nonqualified distributions from its QREA, it will incur an additional tax, designed to negate the benefit of the maximum rate of 34 percent.

Again, the intent of this legislation is to reward eligible S corporations which reinvest income into the business, thereby creating more jobs. Indeed, successful small manufacturers have been able to create three to four new jobs for every additional \$100,000 they retain in the business.

I recognize that this legislation is a rather modest and narrowly crafted bill, and I realize that there may be other ways to accomplish the end goal of this proposal, which is to equalize the tax treatment of all manufacturers whether they organize as S corporations or C corporations. In that regard, I would welcome a debate on the best means to achieve this end. Personally, I would prefer to lower even further corporate and business taxes, but we are currently constrained by our budget rules. Furthermore, I look forward to an opportunity to completely abolish the present tax code in order to replace it with a more simple tax code that eliminates the inequities inherent in the current code.

The Small Business Investment and Growth Act will, in the near term, provide much needed tax relief to spur economic and job growth, and I would strongly encourage my colleagues to cosponsor it.

TRIBUTE TO CHIEF CLARENCE
HARMON ON HIS RETIREMENT

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1996

Mr. GEPHARDT. Mr. Speaker, I rise today to congratulate one of the great citizens of my hometown, St. Louis, on his retirement from a unique and valuable career of public service.

Col. Clarence Harmon, who will celebrate his retirement later this week, had a truly distinguished career with the Metropolitan St. Louis Police Department. After working his way up through the ranks, he became the first African-American police chief in the city's history.

Perhaps Chief Harmon's greatest contribution to the police department, and to the safety of our citizens, was his early and fervent commitment to community oriented policing. The success of this program can be seen as the crime rate in St. Louis declines—with the murder rate dropping by 18 percent last year. By